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CC:	Nili Priell Barak <nilipriell@gmail.com>
Date:	Tue, 2/3/2015 2:34:16 PM
Subject:	2014 Full-Year Results for the Julius Baer Group

Dear Ehud

I hope all is well.

We published yesterday our 2014 Results which we can be very proud of and they were also very well perceived by the markets, our stock closed up 9% at CHF 40.84 yesterday.

Kindly find below the highlights of the results – as well as the some feedback of the press herewith enclosed as well as our 2014 Business Review.

Boris sends you his best regards and is looking forward to see you soon.

Best regards,
Cédric Heri

Assets under management up 14% to a record CHF 291 billion – Adjusted net profit improved by 22% to CHF 586 million – Dividend increased from CHF 0.60 to CHF 1.00 per share – Cost efficiency programme of CHF 100 million launched

Today, the Julius Baer Group has published its 2014 full-year results.

The highlights of the results are as follows:

- Assets under management (AuM) grew to CHF 291 billion, an increase of CHF 36 billion, or 14%. The increase was supported significantly by net new money of CHF 13 billion (5%). Total client assets (including assets under custody) grew by 14% to CHF 396 billion.
- Operating income rose by 16% to CHF 2,547 million, resulting in a gross margin of 94 basis points (bps). The adjusted cost/income ratio improved to 69.9%.
- Adjusted net profit, which reflects the underlying operating performance, improved by 22% to CHF 586 million and adjusted earnings per share (EPS) by 20% to CHF 2.68.
- IFRS net profit increased by 96% to CHF 367 million and IFRS EPS by 92% to CHF 1.68.
- The integration of Merrill Lynch's International Wealth Management (IWM) business outside the US was essentially completed and the 2014 rightsizing targets were fully realised.
- With a BIS total capital ratio of 23.4% and a BIS tier 1 capital ratio of 22.0%, the capital position remained significantly in excess of the Group's targeted floors.
- The Board of Directors intends to propose to the Annual General Meeting (AGM) of shareholders on 15 April 2015 an increase in the ordinary dividend from CHF 0.60 to CHF 1.00 per share, to be paid out of the share premium reserve.
- Julius Baer has decided to proceed with renewing its IT platforms globally. The Group has selected Temenos to initiate planning of its core banking platform replacement.
- Julius Baer has launched an efficiency programme which aims at cutting costs of approximately CHF 100 million on a run rate basis, of which more than half should be effective in 2015.

Boris F.J. Collardi, Chief Executive Officer of Julius Baer Group Ltd., said: "In 2014 the Group successfully realised the considerable synergies offered by the IWM transaction and in so doing significantly strengthened the basis for further long-term growth in the profitability of its business. This robust foundation is reinforced by a continued very solid capital position. As a consequence,

Julius Baer will be able to confront the effects of the recent Swiss franc appreciation from a position of great strength. Mitigating factors are already being implemented, and I am convinced that thanks to these and further measures the Group will succeed in protecting its profitability to a very significant extent from these effects. This confidence is underpinned by the intention of the Board of Directors to propose a substantially increased dividend."

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